

## Message Text

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12  
ORIGIN PM-04

INFO OCT-01 ARA-06 ISO-00 CIAE-00 INR-07 NSAE-00 DODE-00

SS-15 SP-02 OMB-01 L-03 IGA-02 /041 R

DRAFTED BY PM'SAS:SWINSHIP:RF

APPROVED BY PM - RERICSON

ARA/NC - T. SONANDRES

ARA/LA/PLC - S. QUIGG

----- 004840

R 240055Z JUL 76

FM SECSTATE WASHDC

TO AMEMBASSY CARACAS

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E.O. 11652:GDS

TAGS: MASS, VE

SUBJECT:POLICY RE USE OF FMS CREDIT FUNDS

REF: CARACAS 8860

1. COMUSMILGPVEN MESSAGE OF JUNE 16 AS RECEIVED THROUGH  
MILITARY CHANNELS CARRIED FOLLOWING OPERATIVE PARAGRAPH:  
QUOTE 4. REQUEST POLICY GUIDANCE PRIOR TO DISCUSSION OF  
ABOVE ALTERNATIVE WITH H/C MOD END QUOTE.

2. FOLLOWING DRAFT POLICY GUIDANCE PROVIDED BY STATE TO  
DOD/DSAA JULY 8.

BEGIN TEXT:

A. ESTABLISHED POLICY LIMITS USE OF FMS FINANCING TO  
THE PROCUREMENT OF MAJOR INVESTMENT EQUIPMENT, CONCURRENT  
SPARES AND INITIAL SUPPORT ITEMS. TRAINING RELATED TO  
THE INITIAL ACQUISITION OF MAJOR ITEMS OF MATERIEL MAY BE  
INCLUDED UNDER THE FMS FINANCING, BUT FOLLOW-ON OR UN-  
RELATED TRAINING IS NORMALLY PROVIDED ON FMS CASH BASIS

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ONLY.

B. HOUSE INTERNATIONAL RELATIONS COMMITTEE REPORT ON  
HR 13680 STATED THAT "IT IS NOT THE COMMITTEE'S INTENT TO

PRECLUDE THE USE OF TRAINING FUNDS IN CONNECTION WITH  
REGIONAL ACTIVITIES IN WHICH... VENEZUELA MAY TAKE PART."  
SINCE THERE IS NO PROVISION FOR QUOTE REGIONAL TRAINING  
FUNDS UNQUOTE THOSE PORTIONS OF PROGRAMMED \$700,000  
FOR IMETP FOR GOV IN FY 77 ALLOCABLE TO BONA FIDE  
REGIONAL ACTIVITIES COULD STILL BE PROVIDED TO  
VENEZUELAN. REQUEST MILGP ANALYSIS OF TRAINING PROGRAM  
AND SUGGESTIONS AS TO WHICH, IF ANY, PROPOSED COURSES  
MIGHT BE CONSIDERED TO QUALIFY IN THIS REGARD FOR FURTHER  
REVIEW BY WASHINGTON AGENCIES.

C. EXCEPTION TO POLICY TO AUTHORIZE USE OF FY 76 FMS  
CREDIT TO VENEZUELA FOR OTHER TRAINING COURSES WOULD  
REQUIRE INTERAGENCY COORDINATION AT HIGH LEVEL. IN SIX  
MONTHS SINCE HOUSE COMMITTEE ACTION, HAS GOV  
ADJUSTED ITS BUDGETARY PLANNING TO ACCOMMODATE THOSE  
COURSES WHICH IT CONSIDERS WORTH PAYING FOR? WE REQUEST  
FULLER EXPLANATION OF NATURE OF GOV BUDGETARY  
DIFFICULTIES AND JUSTIFICATION FOR EXCEPTION BASED ON  
PARTICULAR COURSES AND BENEFITS TO THE UNITED STATES.  
END TEXT.

3. DOD HAS CONTINUED TO PRESS FOR EXCEPTION TO POLICY  
ON USE OF FMS CREDIT. AT SAME TIME, WE ARE CONSIDERING  
POSSIBLE ACTION DURING FY 7T TO PROVIDE SOME IMETP TO  
GOV IN INTEREST OF ORDERLY PHASEOUT. ROBINSON

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY ASSISTANCE, CREDIT, POLICIES, MILITARY SALES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE183637  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** SWINSHIP:RF  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760285-1190  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760724/aaaaavaf.tel  
**Line Count:** 91  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN PM  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 CARACAS 8860  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GarlanWA  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 NOV 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 NOV 2003 by GarlanWA>; APPROVED <04 NOV 2003 by GarlanWA>  
**Review Markings:**

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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OLICY RE USE OF FMS CREDIT FUNDS  
**TAGS:** MASS, VE  
**To:** CARACAS  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006